

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7308**

**BILL NUMBER:** SB 602

**NOTE PREPARED:** Jan 9, 2013

**BILL AMENDED:**

**SUBJECT:** Preschool Education.

**FIRST AUTHOR:** Sen. Taylor

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires the Department of Education to establish standards, requirements, and guidelines for approving preschool education programs for children four years of age.

The bill provides for minimum requirements. It also requires schools to apply and get Department approval of a proposed preschool education program in order for the school to qualify for funding.

The bill provides, for purposes of the state tuition support formula, an additional one-half pupil to the ADM count for any child who is enrolled in an approved preschool education program.

**Effective Date:** Upon passage; July 1, 2013; January 1, 2014.

**Explanation of State Expenditures:** The Department of Education should be able to develop standards, requirements, and guidelines for approving preschool education programs within their current budget.

The impact on the school formula would depend on the formula passed in the future and on the number of local preschool programs the Department might approve and the number of students that might enroll in those programs. The current school formula terminates on June 30, 2013.

The impact of the bill can be estimated using the current school formula. For the 2012 school year, there were 9,514 preschool students attending public schools and the average funding for regular programs was about \$5,535. The bill counts a preschool student as ½ in the school formula. For CY 2012, the addition of 9,514 preschool students would have increased the school formula expenditures by about \$26.3 M. If more preschool

students elect to participate the cost will increase accordingly.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Schools could have some increased expenditures if they decided to offer an approved preschool program. The cost of the half day program would be off set by increased tuition support revenue.

**Explanation of Local Revenues:** *See Explanation of State Expenditures.*

**State Agencies Affected:** The Department of Education.

**Local Agencies Affected:** Schools.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.